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Counsel to the Debtors and Debtors in Possession

**UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK**

In re:)	Chapter 11
)	
REPUBLIC METALS REFINING)	
CORPORATION, <i>et al.</i> , ¹)	Case No. 18-13359 (shl)
)	
Debtors.)	(Jointly Administered)
)	

NOTICE OF SELECTION OF STALKING HORSE BIDDER

PLEASE TAKE NOTICE OF THE FOLLOWING:

1. On December 21, 2018, the Debtors filed a motion [Docket No. 358] (the "Sale Motion")² seeking, among other things, authority to sell assets of the Debtors free and clear of all liens, claims, interests and encumbrances, and approval of the bidding procedures detailed therein (as defined in the Sale Motion, the "Bid Procedures").

2. Approval of the Bid Procedures is currently scheduled for hearing on ***Wednesday, January 9, 2019 at 11:00 a.m. (ET)***, before the Honorable Sean H. Lane, United States Bankruptcy Judge, One Bowling Green, Courtroom 701, New York, NY 10004 (the "Bid Procedures Hearing").

¹ The Debtors in these chapter 11 cases, along with the last four digits of each Debtor's federal tax identification number, include: Republic Metals Refining Corporation, 15 West 47th Street, Suites 206 and 209, New York, NY 10036 (3194), Republic Metals Corporation, 12900 NW 38th Avenue, Miami, FL 33054 (4378), Republic Carbon Company, LLC, 5295 Northwest 163rd Street, Miami Gardens, FL 33014 (5833), Republic High Tech Metals, LLC, 13001 NW 38th Avenue, Miami, FL 33054 (6102), RMC Diamonds, LLC, 12900 NW 38th Avenue, Miami, FL 33054 (1507), RMC2, LLC, 12900 NW 38th Avenue, Miami, FL 33054 (4696), J & L Republic LLC, 12900 NW 38th Avenue, Miami, FL 33054 (7604); R & R Metals, LLC, 12900 NW 38th Avenue, Miami, FL 33054 (7848), Republic Metals Trading (Shanghai) Co., Ltd., 276 Ningbo Road, Huangpu District, Shanghai, P.R. 200001 China (1639), and Republic Trans Mexico Metals, S.R.L., Francisco I. Madero No. 55 Piso 5, Local 409, Centro Joyero Edificio Central, Delegación Cuauhtémoc, Mexico DF 6000 (2942).

² Unless otherwise defined herein, capitalized terms shall have the meaning given them in the Sale Motion.

3. Pursuant to paragraph 14(e) of the Sale Motion, the Debtors consulted with their professional advisors, the prepetition senior secured lenders, and the Official Committee of Unsecured Creditors, and have determined that the selection of an appropriate stalking horse bidder will greatly benefit the bidding process. The Debtors have selected Valcambi SA ("Valcambi") as the Stalking Horse Bidder.

4. Attached hereto as **Exhibits A and B**, respectively, are true and correct copies of: (i) the Asset Purchase Agreement by and between Republic Metals Corporation, *et al.*, as sellers, and Valcambi, as buyer (the "Stalking Horse APA") and (ii) the Lease Agreement(s) by and between the Debtors, as sellers, and Valcambi, as buyer. The Stalking Horse APA provides for a purchase price of \$16,000,000, including a cash deposit of \$3,200,000.

5. The Debtors will present an executed copy of the APA to the Court at the hearing on the Sale Motion on January 9, 2019.

6. At the Bid Procedures Hearing, the Debtors will seek approval of Valcambi, as the Stalking Horse Bidder, pursuant to the terms of the Stalking Horse APA. The Debtors will also seek approval of the following modifications to the proposed Bid Procedures:

- a. Minimum Overbids: \$100,000; and
- b. Break-up fee (payable to Valcambi) in the amount of \$480,000.

Dated: January 8, 2019

AKERMAN LLP

By: /s/Katherine C. Fackler

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